

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF ILLINOIS

**STANDING ORDER REGARDING ATTORNEY FEES FOR  
DEBTOR'S COUNSEL IN CHAPTER 13 CASES**  
*(Effective January 1, 2024)*

All attorneys representing individual debtors in the bankruptcy courts of the Central District of Illinois are reminded that they are "debt relief agencies" under the Code and, accordingly, must comply with the requirements for such agencies. 11 U.S.C. §§101(12A), 528; *Milavetz, Gallop & Milavetz, P.A. v. United States*, 559 U.S. 229 (2010). Section 528(a) in particular requires written fee contracts and full disclosure of all anticipated charges when representing "assisted persons." 11 U.S.C. §§101(3), 528(a). All attorneys representing Chapter 13 debtors in this District must enter into written fee contracts with their debtor clients regardless of whether the debtor is an "assisted person." Attorneys are also reminded of their duty to file complete and accurate disclosures of their fee agreements with their debtor clients. See Fed. R. Bankr. P. 2016(b). No award of fees will be made to any attorney unless the attorney's own agreement with the debtor client provides for the payment of such fees. All attorneys are required to perform the "Duties of Debtor's Counsel in Chapter 13 Cases" appended to this Order.

Since January 29, 2020, the "no-look" flat fee for representation of a Chapter 13 debtor in the Central District of Illinois has been \$4,250. As of January 1, 2024, the no-look fee will become \$4,500 (\$3,000 in "fee-only" cases described below). Attorneys may charge less than \$4,500 and are encouraged to consider doing so in small or simple cases. Generally, the \$4,500 no-look fee represents the upper limit of what the Court believes is reasonable attorney compensation in a routine Chapter 13 consumer case.

Attorneys who elect not to charge a "no-look" fee must seek approval of fees incurred through confirmation by the filing of an itemized application within 30 days after plan confirmation and at such other intervals after confirmation as may be appropriate. All fee applications must be made in accordance with Rule 2016 of the Federal Rules of Bankruptcy Procedure. All fee applications shall include, as an attachment or exhibit, a copy of the written fee contract entered into with the debtor client. Failure to meet the basic standards for compensation set forth in the Bankruptcy Code and Rules, which include keeping contemporaneous time records, may result in some or all compensation being denied.

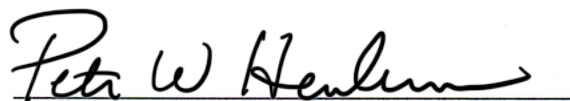
Allowed attorney fees shall be paid through the plan. However, an attorney may receive all or part of the allowed fees prior to the filing of the case, provided those fees are deducted from the total allowed fees to be paid through the confirmed plan. Attorney fees will be paid by the trustee as an administrative expense after the payment of trustee commissions, regular monthly mortgage payments, and any other claims for which orders have been entered or specific plan provisions require a fixed monthly payment to be made. Plan provisions that refer to estimated payment amounts will not take precedence over attorney fee payments. The attorney fees shall be paid along with other administrative expense and priority claims as the trustee deems appropriate, consistent with the plan and order confirming the plan. Generally, allowed attorney fees should be paid in full within the first 12 to 24 months of a plan term, provided that monthly plan payments by the debtor are sufficient to allow other required payments to be made and are sufficient for the trustee to begin payments to secured creditors, if necessary, during the same period.

“Fee-only” cases are those that pay only the attorney’s and trustee’s fees—and no other administrative expense, priority, or secured claims—through the plan and provide no meaningful dividend to unsecured creditors. Such cases are not prohibited to the extent that all requirements for confirmation are otherwise met. Such cases do not, however, merit the allowance of the full no-look fee of \$4,500. In such cases, the no-look fee will be limited to \$3,000.

Debtor’s attorneys are expected to represent the debtor through the conclusion of a case, not merely until confirmation, and the no-look fee amount reflects that expectation. The duties appended to this Order are presumed to be included within the scope of services rendered by the attorney to the debtor regardless of the amount of the no-look fee requested. If an attorney fails to perform any required duty, the Court may consider whether that attorney’s fees should be limited to an amount less than \$4,500 and may order the attorney to disgorge all or part of any fees received.

This Standing Order shall be applicable to cases filed on or after January 1, 2024.

DATED this 20th day of December, 2023.



Peter W. Henderson  
Chief U.S. Bankruptcy Judge



Mary P. Gorman  
U.S. Bankruptcy Judge

### Duties of Debtor's Counsel in Chapter 13 Cases

1. Confer with and advise the debtor about (1) the general purpose, benefits, and costs of proceeding under Chapter 7 and Chapter 13, and (2) the types of services available from credit counseling agencies.
2. Timely prepare and file the petition, statement of financial affairs, all schedules, and the creditor matrix.
3. Timely prepare and file a Chapter 13 plan.
4. Upon information received from the debtor, take all action necessary to avoid the termination of, or to require the reinstatement of, necessary utility services for the debtor.
5. File the necessary motions or adversary complaints to obtain the return of repossessed vehicles proposed to be retained by the debtor under the plan.
6. In the event of pending state or federal court litigation, notify creditors' attorneys and appropriate courts in which the litigation is pending of the bankruptcy filing and the existence of the automatic stay.
7. Send out an information letter to the debtor reminding the debtor to attend the §341 meeting, specifying the date, time, and location of the meeting, and providing information advising the debtor as to all necessary preparations for the §341 meeting.
8. Collect from the debtor and deliver to the trustee all information required by statute to be provided prior to the §341 meeting.
9. Appear at the §341 meeting with the debtor and confer with the debtor to prepare him or her to appear at the §341 meeting.
10. Upon information received from the debtor, take steps necessary to terminate pending wage garnishments including filing a motion to enforce the automatic stay and terminate the garnishment.
11. Attend all court hearings in the case including the confirmation hearing, if scheduled.
12. Prepare all court mandated pre-trial statements, reports, briefs, etc.
13. Respond to objections to plan confirmation and, where necessary, prepare amended plans.

14. Prepare, file, and serve necessary amended statements and schedules, in accordance with information submitted by the debtor, provided the debtor pays any required filing fees.
15. Prepare, file, and serve necessary motions to buy, sell, or refinance real property and vehicles, when appropriate.
16. Review all claims promptly after the expiration of the claims bar date and file claims for creditors who failed to file claims, if it is in the debtor's best interest to do so.
17. Object to claims which should be disallowed in whole or in part. This duty is particularly important where it is the debtor's only recourse, such as when stale claims are filed.
18. Advise and represent the debtor with respect to motions for relief from the automatic stay, for adequate protection, to terminate the co-debtor stay, and other contested matters.
19. Prepare, file, and serve motions to avoid liens on real or personal property.
20. Upon information received from the debtor, contact creditors who continue to communicate with the debtor after filing.
21. Upon completion of plan payments, file a Certificate of Domestic Support Obligation if the debtor was required to pay a domestic support obligation during the pendency of the case.
22. Before the plan is completed, ensure the debtor's compliance with the personal financial management requirement of 11 U.S.C. §1328(g).
23. Provide such other legal services as are necessary for the administration of the case.